

What is a Technology

Business?

According to Lynchburg's *Technology Zone Ordinance*, a technology business is a business that derives its gross receipts from the design, development or other creation (for lease, sale, or license) of technology-based products, processes or related services.

Technology based products, processes or related services are defined as engaging in one or more of the activities listed below:

- architecture
- advanced materials
- automation
- biotechnology
- biomedical research
- chemicals
- computer hardware
- computer software
- defense
- e-commerce
- electronic-based subassemblies and components
- electronics
- energy
- engineering
- environmental
- internet services
- manufacturing equipment
- medical applications
- multimedia
- pharmaceuticals
- photonics
- systems integration
- telecommunications
- testing and measurements
- transportation

NOTE:

The definition of a technology business can also be extended to training in the listed business concentration areas.

How Does a Company Apply?

The Office of Economic Development will qualify the company as set forth by the criteria established in the policy. A company's appropriateness for the use of the program's incentives can be predetermined through a letter of understanding if requested by the company.

Contact Us

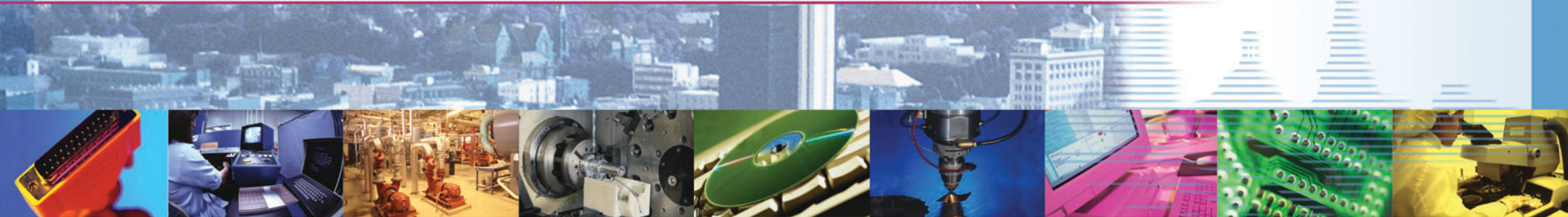
For more information about the *Technology Zone* program or other incentives, please contact:

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Technology Zone Program



Where Business Matters...

City of Lynchburg
Virginia

Where Business Matters...

The City of Lynchburg, Virginia understands the importance of creating an environment that is business friendly. That's why we work hard to improve our services to the business community and continually search for innovative ways to assist you.

Technology enhances business competitiveness and competitiveness is good for the economy. In March 2002, Lynchburg City Council approved the Technology Zone Ordinance. This action taken by City Council acknowledges the importance of technology to Lynchburg's future and is just one more example of how in *Lynchburg - Business Matters*.

What Are the Qualifying Criteria?

Companies must meet certain qualifying criteria.

Capital Investments:

Downtown Technology Zone

Minimum capital investment of \$25,000

Lynchpin Technology Zone

Minimum capital investment of \$250,000

Employment:

Expanding Businesses

An expanding technology business must increase the number of full-time employees by ten percent over a base year or the increase must constitute at least three net new full-time employees, whichever is greater.

New Businesses

In the *Downtown Technology Zone*, a new technology business must create a minimum of three new full-time jobs within one year of the firm's application.

In the *Lynchpin Technology Zone*, a new technology business must create a minimum of 25 new full-time jobs within one year of the firm's application.

Wages:

Wages paid to the minimum threshold number of full-time employees needed to qualify must be equal to twice the federal minimum wage rate.



What is a Technology Zone?

The Commonwealth of Virginia allows cities, counties and towns to establish, by ordinance, one or more technology zones to attract growth in targeted industries.

Qualified businesses locating or expanding operations in a zone may receive local permit and user fee waivers, local tax incentives and capital investment grants. Incentives may be provided for up to ten years.

What Incentives Are Available?

Reduction and/or Waiver of

City Fees: May include fees for building, mechanical, gas, plumbing, electrical, sign, and conditional use permits, and zoning ordinance fees.

Reduction in Taxes: Five to ten year reimbursement (depending upon location) in business license fees (BPOL) to qualified businesses while the business is located in the technology zone. Both zones include a five-year reimbursement of Machinery and Tools Tax. The 100% reimbursement will be for the first three years of eligibility and 50% during the remaining two years.

Capital Investment Grants: Five-year grant to qualified technology businesses. The grant is based on the net increase in capital investment made within the *Technology Zone*.

Additional Incentives: A business may qualify for additional incentives with the Lynchburg Industrial Development Authority (LIDA).

Where are Lynchburg's Technology Zones Located?

Technology Zone 1:

Known as the Downtown Technology Zone, includes the Central Business District, Lower Basin, the Fifth Street Corridor, surrounding neighborhoods, as well as the land zoned industrial between Carroll and Campbell Avenues.

Technology Zone 2:

Known as the Lynchpin Technology Zone, is located between Wiggington Road and Lakeside Drive on the City's western boundary.